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## **Hatch Opening Statement at Finance Hearing on Administration’s HHS Budget Request**

*HHS Secretary Azar Testifies*

**WASHINGTON** – Senate Finance Committee Chairman Orrin Hatch (R-Utah) today delivered the following opening statement at a Finance Committee hearing to consider the administration’s Fiscal Year (FY) 2019 budget request for the Department of Health and Human Services (HHS).

*Before I begin, I want to express, on behalf of the committee, the sadness we all feel in light of yesterday’s events in Florida. I was personally horrified as I watched the news unfold yesterday, though I was also moved to hear some of the stories of the heroism displayed by some of the students and teachers at the school.*

*In times like these, I know that thoughts expressed from those of us who are far away can sometimes seem empty and meaningless in the face of such a terrible tragedy. I will simply say that I am praying for all of those who were affected by these acts of senseless violence.*

*That, of course, includes a member of our committee who I know is mourning the loss and pain felt by those in his home state. May they all find peace, healing, and a speedy recovery.*

*I welcome everyone to today’s hearing, which will be our third and final hearing on the President’s budget for Fiscal Year 2019.*

*We’ve already had the Treasury Secretary and the Acting IRS Commissioner appear before us. And today, we’ll be talking with Secretary Azar from the Department of Health and Human Services.*

*Secretary Azar, thank you for being here and welcome back. It has been just a little over a month since you last appeared before us. Of course, you are still very new to your position, but we are glad to have you back because we have a lot to discuss.*

*Since you were last here, this committee has amassed a number of legislative victories. I want to take a few minutes to highlight these accomplishments as many are within HHS's jurisdiction.*

*Last month, as a result of countless hours of work by this committee, Congress passed and the President signed a six-year CHIP extension. A few weeks later, we added another four years to that extension as part of the Bipartisan Budget Act.*

*That is 10 more years of CHIP funding, which is, quite frankly, a historic accomplishment.*

*Senator Ted Kennedy and I created the CHIP program more than two decades ago. And, despite always enjoying bipartisan support, at no point in the program's history have we been able to deliver this much certainty and security for the families and children who depend on CHIP. I want to once again commend my colleagues on both sides who joined in this effort and who share in this success.*

*It was no small feat.*

*In addition to the CHIP extension, the CHRONIC Care Act, another bipartisan legislative product out of this committee, was also signed into law recently. This new law will improve care for Medicare beneficiaries living with chronic conditions, streamline care coordination, and improve quality outcomes without worsening Medicare's shaky fiscal status. Again, I want to thank everyone on this committee who worked on this bill, most notably our ranking member, Senator Wyden, as well as Senators Isakson and Warner, who were key leaders in the drafting and passage of this important bill.*

*And it doesn't end there. The budget bill also included the bipartisan Family First Prevention Services Act, which will help keep more children safely with their families—specifically by funding substance abuse and mental health services that have been shown to prevent children from entering foster care.*

*All of this success is testament to bipartisanship and proves that it is possible for both parties to find common ground and work together. As always, there is more work to be done and I am optimistic that we can be just as effective in the coming months.*

*Of course, these recent achievements won't mean much if they are not implemented properly. Secretary Azar, I look forward to working with you as this process moves forward.*

*Now, I'd like to take a moment to talk about some of the specifics in the President's budget, which recognizes the need to eliminate wasteful spending, rein in our national debt, and focus on protecting Americans at home. I appreciate that the President's budget takes steps toward a course correction that will hopefully lead to a more economically sound future, all while still ensuring high-quality, and accessible health care.*

*One of the key and critical assumptions in the President's budget is the repeal of Obamacare. The budget bakes in this repeal, and replaces it with a state-based grant system. All told, the administration estimates that this would save more than \$675 billion.*

*Many of us on the committee – I think all of us on the Republican side – share this desire to repeal Obamacare and we've actually done some great work on rolling back major elements of the so-called Affordable Care Act this Congress. For starters, our tax reform bill zeroed out the individual mandate tax.*

*The recent budget bill also included the so-called Medicare extenders and repealed the Independent Payment Advisory Board. And, in that same bill, we extended previous delays on other Obamacare taxes, including the medical device tax, the health insurance, and the so-called Cadillac tax. But, as the budget points out, we are not quite there yet. I hope we can take additional steps in the future and I look forward to continuing our discussions on how we can stop the skyrocketing cost of healthcare in a meaningful and well-governed way.*

*Beyond the critical repeal and replace efforts with Obamacare, we also need to start getting serious about Medicare and Medicaid reforms. Both of these programs need to be put on a more sustainable path, so that we can fulfill the promises of these programs for future generations.*

*I know that any time a Republican mentions the fiscal predicament of Medicare and Medicaid, we're essentially asking to be accused of robbing the elderly and low-income families of their healthcare. But, none of these scare tactics will improve the outlook of our federal healthcare programs. That's going to take some hard work and, hopefully, we can find a path forward there as well.*

*Secretary Azar, during your confirmation hearing, you emphasized that addressing rising drug prices would be one of your top priorities. As you know, I've spent quite a bit of time on this issue, working to ensure that patients have access to innovative and high-quality medications.*

*It can be tricky to balance the need to encourage investment and development of new and effective drugs and treatments while also working to make sure those in need can obtain access to those potentially life-saving and life-improving products.*

*Some have made a crusade out of scapegoating the companies that develop drugs and treatments.*

*And, when this almost singular focus prevails, the result is policy that tends to be less than perfect, to put it charitably. We saw an example of this in last week's Bipartisan Budget Act that increased the discount that manufacturers are required to provide under the so-called donut hole in Medicare Part D.*

*I voiced my opposition to the inclusion of this provision in the budget agreement on the Senate floor last week. I am working with my colleagues who share my concern on the increased manufacturer discount provision to mitigate its impact.*

*Further, as this budget has a number of other drug-related policy proposals, I implore the Administration to take care to strike a balance between access and innovation. It is a balance that I hope that we should all strive to achieve.*

*Secretary Azar, you also emphasized that addressing America's opioid crisis is another one of your top priorities. I am happy to see that the President's budget stresses the importance of working together to fight this epidemic.*

*The CDC estimates that, each day, our country experiences more than 100 opioid-related deaths.*

*My home state of Utah has been especially hard hit. And while the drug overdose rate has risen over the past decade, we are starting to see a shifting tide thanks to the leadership of many officials in my state. With that said, they need federal help.*

*And, I know that many in Congress, including several members of this committee, have been outspoken leaders in this effort, and I commend them for their work.*

*We are committed to continuing our bipartisan committee process to address the opioid epidemic, especially through mandatory program proposals that can bring about meaningful and enduring change to a system plagued with issues.*

*Mr. Secretary, I look forward to working with you in the coming months as we look for solutions to address this crisis, and I hope that we, as a committee, can continue our bipartisan efforts to curtail this growing string of tragedies.*

*To close, let me just say that, as we all know, it is Congress's responsibility to pass a budget. The President's proposed budget merely sets the tone and provides us with a baseline for debate. I hope that we can work together to implement many of the common-sense reforms we've been debating for so long. And I hope that we can continue to work to set aside our differences in order to find beneficial solutions.*

*I look forward to having an open and frank discussion with Secretary Azar about these and other matters.*

*Before I close, I do want to note that because we were unable to get a quorum yesterday, if, at any point during the hearing, a suitable quorum is present, I intend to pause the hearing and move to votes on the nominations of Mr. Dennis Shea and Mr. C.J. Mahoney. Thereafter, we'll resume our hearing.*

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